



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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September 7, 1999

TO: Minerals File & Lon Thomas (American Stone)

FROM: D. Wayne Hedberg, Permit Supervisor *DWH*

RE: Notes to Finalize Issuance of Certificate of Deposit (Interim Surety), American Stone, Rosebud Quarry, M/003/026, Box Elder County, Utah

On September 7, 1999, I received a telephone call from Opie Abeyta of the BLM. She called to inform me of her recent discussion with Allison Knudson of First Security Bank concerning proposed language changes and BLM conditions for Certificate of Deposit ~~XXXXXX~~. This CD is posted as interim surety for American Stone's Rosebud Quarry. Based upon her conversation with Allison and subsequent discussions with BLM representatives from the Salt Lake Resource Area office, the following requirements will apply to finalizing the above referenced Certificate of Deposit:

Requirements:

1. The CD must be issued to Utah Department of Natural Resources - Division of Oil, Gas and Mining, and the U.S. Department of the Interior - Bureau of Land Management.

Abbreviation: **Utah DNR - DOGM and USDO - BLM** (If computer input space is limited, use this abbreviation.)

On the current CD it lists "AS BENEFICIARY" after "BLM". Allison informed Opie that this was a mistake and it will be removed.

2. Allison said that Lon Thomas cannot sign the withdrawal slip in advance. The signature card has all three signatures for DOGM, BLM, and American Stone. The withdrawal slip is a separate document and is completed when the funds are withdrawn. All three signatures are required to withdraw funds.

The CD must be totally unencumbered to the BLM and DOGM if it becomes necessary to call and cash out the CD. Therefore, we request that Mr. Thomas sign the Assignment form, leave a copy with First Security Bank, and return the original signed copy to DOGM along with the finalized CD.

3. The signature card for the BLM should list: "Robert Lopez" as the Authorized Officer. Only his name will appear on the signature card. Allison informed Opie that "Authorized Officer" can be typed on after the fact. DOGM and BLM would prefer that the Bank type this onto the card if possible. The signature card for the DOGM should list: "Lowell P. Braxton" as the "Division Director". The original signature card should be signed by Lon Thomas and routed through the BLM and DOGM for appropriate signatures. It will then be returned to the First Security Bank for their files.

jb

cc: Opie Abeyta, BLM
Terry Snyder, BLM
Allison Knudson, First Security Bank
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